



Department of Energy
Washington, DC 20585

WEATHERIZATION PROGRAM NOTICE 22-6
EFFECTIVE DATE: April 14, 2022

SUBJECT: Weatherization Assistance Program Weatherization Readiness Fund Guidelines

INTENDED AUDIENCE: WAP Grantee Program Managers, WAP Subgrantee Managers

PURPOSE: This Guidance serves to transmit information to the Weatherization Assistance Program (WAP) network outlining expectations for the available Weatherization Readiness Funds. The purpose of these funds is to minimize the number of deferrals currently occurring within the WAP network.

SCOPE: The provisions of this guidance apply to Grantees awarded financial assistance under the Department of Energy (DOE) WAP.

LEGAL AUTHORITY: Title IV, Energy Conservation and Production Act, as amended, authorizes the Department to administer the WAP ([42 U.S. Code § 6861](#), *et. seq.*). All grant awards made under this program shall comply with applicable law and regulations including, but not limited to, the WAP regulations contained in the Code of Federal Regulations (CFR) at [10 CFR 440](#) and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at [2 CFR 200](#).

BACKGROUND: On March 15, 2022, the President signed into law: [H.R. 2471, the Consolidated Appropriations Act, 2022](#). Under this Public Law (P.L.), the WAP was appropriated \$334,000,000, which includes \$6,000,000 for Headquarters Training and Technical Assistance (T&TA) and includes \$15,000,000 to be made available to establish a Weatherization Readiness Fund (WRF). **WRF appropriated through this P.L. must ONLY be used for activities within same the grant award and must NOT be used to fund work on Bipartisan Infrastructure Law (BIL) weatherized units.**

Through this WRF set-aside fund, WAP can address necessary repairs (e.g., Health and Safety issues, structural) in dwellings that have been deferred from receiving weatherization services. Deferrals occur in WAP for two key reasons, regulatory ([10 CFR 440](#)) limitations and/or management decisions at the state and local levels. Regardless of the cause, deferrals create

“sunk costs” – the cost of sending field staff out to evaluate a home that cannot ultimately be treated because the Program is unable to address the repairs of the building.

In 2018, the National Association for State Community Services Programs (NASCSPP) posted the [NASCSPP Deferral Tracking Report](#), surveying WAP Grantees to better understand deferral practices. The survey suggests the older the housing stock, the more likely the dwelling is deferred due to repair needs. The issues identified through the Weatherization survey of providers corresponds closely to the home repair needs examined and detailed in a report by [Federal Reserve Bank and Policy Map](#).

GUIDANCE: WRF are designated for use by Grantees in addressing structural and health and safety issues of homes that are currently in the queue to be weatherized, but at risk of deferral. This funding is specifically targeted to reduce the frequency of deferred homes that require other services, outside the scope of weatherization, before the weatherization services can commence. Units receiving WRF must result in a DOE completion defined as, “*A dwelling on which a DOE-approved energy audit or priority list has been applied and weatherization work has been completed.*” For additional information please refer to the [Application Instructions](#) issued with [Weatherization Program Notice \(WPN\) 22-1](#). WRF are allocated to Grantees using the T&TA distribution model and were issued in [WPN 22-2, Program Year 2022 Grantee Allocations](#). WRF funds are specific to the annual appropriation funding and must be expended on units weatherized within the formula PY 2022 grant by the WAP Subgrantees identified in the State Plan application.

As part of WRF funding, each Grantee must:

- 1) Develop a WRF Plan for DOE approval. The Plan must describe how funds will be distributed and how households will be prioritized for WRF. Grantees must outline any restrictions related to the funding and describe how the Grantee will monitor WRF activities. Additionally, the WRF plan must include a maximum amount per home or identify the WRF Average Cost per Unit (WRF ACPU) specific to WRF budget category to be set by each Grantee. (WRF funds are outside WAP’s historic ACPU.) Please submit your WRF plan in Section IV.7 Miscellaneous of the PY 2022 Annual File. DOE encourages Grantees to consult with Subgrantees and Policy Advisory Councils when setting this policy for statewide application.
- 2) Track these funds for each building and unit, and at a minimum, capture measures/repairs and associated costs, for reporting purposes. DOE WAP is subject to the Paperwork Reduction Act and final tracking requirements and data collection will follow the appropriate Information Collection Request (ICR) process to gain approval. DOE will solicit feedback from the WAP network.

- 3) Monitor these funds as part of the Grantee's annual monitoring of Subgrantees, ensuring the funds are expended in accordance with the Grantee's WRF plan for the purposes approved by DOE, resulting in completed units.

Grantees are required to track the information below and will be asked to prepare a summary of units receiving WRF for the PY 2022 T&TA, Monitoring and Leveraging Report.

- Avoided deferrals – the number of dwelling units made weatherization ready with these funds, and **for each building or unit**:
 - Year Built;
 - Housing Type (site-built single family, manufactured housing, multifamily);
 - Nature of repairs needed which prohibit weatherization. Where applicable, identify multiple repairs or remediation reasons for a single building. This is not an exhaustive list and Grantees may add repairs as needed.
 - Roof repair
 - Wall repair (interior or exterior)
 - Ceiling repair
 - Floor repair
 - Foundation or subspace repair
 - Exterior drainage repairs (e.g., landscaping or gutters)
 - Plumbing repairs
 - Electrical repair
 - Clean-up or remediation beyond typical scope of WAP
 - Lead paint
 - Asbestos (confirmed or suspected, including vermiculite), mold and/or moisture
 - Other – please specify
 - DOE WRF expenditure per unit and building; and,
 - Leveraged fund expenditure per unit and building (i.e., funds such as LIHEAP, HUD, non-federal, etc. braided with DOE WRF to make building weatherization ready).

To assist Grantees, DOE developed the [Deferrals Classification Guide and Tracker](#) Template. This is an optional tool available to Grantees and Subgrantees for tracking deferrals and aligns with anticipated reporting requirements.

Sample Reporting Categories

Unit Information:

Unit ID	DATE INFO				MAILING INFO	BUILDING INFO		
	WAP Intake Date	Date(s) Deferred (if previously deferred by WAP)	Date Weatherization Ready	Date Weatherized	Street, City, State, Etc.	Building Type	Year Built	Fuel Type

Issue Specific Information:

DEFERRAL ISSUE 1				
Issue or Action Needed	WRF Category	Total Remediation Cost	Non-WAP Funding Source Used	WRF Funds Applied

CONCLUSION: The decision to defer an otherwise eligible home due to needed repairs and regulatory limitations is always difficult. The WAP providers have been the greatest advocate for families who receive weatherization services, expressing the need to have monies available for repairs to safeguard the Federal weatherization investment and improve the durability of the nation’s housing stock.

DOE’s purpose is to work with our Grantees to demonstrate how these funds can be used to create a more sustainable housing stock for our most impacted families. With the addition of these Weatherization Readiness Funds, the WAP network will be able to bring more housing into weatherization readiness than before, reducing deferrals, increasing energy savings, and providing multiple other benefits to individuals and families that would have otherwise been left unserved.

If you need additional information, please contact your respective DOE Project Officer.

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